

House File 2181 - Introduced

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A BILL FOR

1 An Act establishing the teacher student loan repayment program
2 and making appropriations.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. **261.109 Teacher student loan**
2 **repayment program.**

3 1. For purposes of this section:

4 *a. "Eligible institution"* means an institution of higher
5 learning governed by the state board of regents or an
6 accredited private institution as defined in section 261.9.

7 *b. "Eligible loan"* means the teacher's total federally
8 guaranteed Stafford loan amount under the federal family
9 education loan program or the federal direct loan program, the
10 teacher's federal direct plus loan, or the teacher's federal
11 Perkins loan, including principal and interest.

12 *c. "Teacher"* means the same as defined in section 272.1.

13 2. A teacher student loan repayment program is established
14 for the purpose of providing loan repayments to select
15 teachers. The college student aid commission shall administer
16 the teacher student loan repayment program in collaboration
17 with the department of education.

18 3. A teacher shall be eligible for the teacher student loan
19 repayment program if the teacher meets all of the criteria
20 specified under, or established in accordance with, subsection

21 4. A teacher is ineligible for the teacher student loan
22 repayment program if the teacher received a grant under section
23 261.110, a forgivable loan under section 261.111, or loan
24 forgiveness under section 261.112.

25 4. Criteria for eligibility shall be established by the
26 college student aid commission and shall include all of the
27 following:

28 *a.* The teacher completed and filed an application for
29 student loan repayment under the teacher student loan repayment
30 program. The teacher shall be responsible for the prompt
31 submission of any information required by the college student
32 aid commission and for filing a new application and submitting
33 information as required by the college student aid commission
34 annually on the basis of which the teacher's eligibility under
35 the teacher student loan repayment program will be evaluated

1 and determined.

2 *b.* The teacher completed a teacher preparation program
3 approved by the state board of education pursuant to section
4 256.7, subsection 3, offered by an eligible institution.

5 *c.* The teacher's cumulative grade point average upon
6 graduation from an eligible institution is at least two and
7 three quarters on a four-point scale, or its equivalent, as
8 determined by the eligible institution.

9 5. A selected teacher who meets all of the eligibility
10 requirements of this section shall be eligible for awards from
11 the teacher student loan repayment program for each year of
12 full-time employment completed in this state as a teacher for
13 a school district, accredited nonpublic school, or an area
14 education agency. A teacher student loan repayment grant
15 shall not exceed the lesser of four thousand dollars per year
16 per recipient or the total remaining balance of the teacher's
17 eligible loans at the end of each annual full-time employment
18 obligation. Grants awarded under this section shall not
19 exceed a total of twenty thousand dollars per recipient over a
20 five-year period.

21 6. A teacher who receives a grant under the teacher student
22 loan repayment program and who refinances an eligible loan by
23 obtaining a private educational loan may continue to receive
24 grants under this section if the amount of the teacher student
25 loan repayment grant does not exceed the lesser of the amount
26 specified in subsection 5 or the balance of the loan repayment
27 amount the teacher qualified to receive with the eligible loan.

28 7. A teacher student loan repayment program fund is
29 created in the state treasury as a separate fund under the
30 control of the college student aid commission for deposit of
31 moneys appropriated to or received by the college student aid
32 commission for use under the program. Notwithstanding section
33 8.33, moneys deposited in the teacher student loan repayment
34 program fund shall not revert to any fund of the state at the
35 end of any fiscal year but shall remain in the teacher student

1 loan repayment program fund and be continuously available for
2 loan repayment under the program. Notwithstanding section
3 12C.7, subsection 2, interest or earnings on moneys deposited
4 in the teacher student loan repayment program fund shall be
5 credited to the fund.

6 8. The college student aid commission shall submit in a
7 report to the general assembly by January 1, annually, the
8 number of individuals who received a grant from the teacher
9 student loan repayment program pursuant to this section, the
10 amount paid to each teacher who received a grant, and other
11 information identified by the college student aid commission as
12 indicators of outcomes from the teacher student loan repayment
13 program.

14 9. The college student aid commission, in collaboration
15 with the department of education, shall adopt rules pursuant
16 to chapter 17A to administer this section. The rules shall
17 include a process for use by the college student aid commission
18 to determine which eligible teachers will receive a grant under
19 the teacher student loan repayment program. Priority shall be
20 given to the most recent graduates of eligible institutions.

21 Sec. 2. COLLEGE STUDENT AID COMMISSION. There is
22 appropriated from the general fund of the state to the college
23 student aid commission for the fiscal year beginning July 1,
24 2022, and ending June 30, 2023, the following amount, or so
25 much thereof as is necessary, to be used for the purposes
26 designated:

27 For purposes of the teacher student loan repayment program
28 established pursuant to section 261.109:

29 \$ 1,000,000

30 Sec. 3. CODE EDITOR DIRECTIVE. The Code editor shall
31 designate section 261.109, as enacted in this Act, as a
32 new section within chapter 261, subchapter XIII, and may
33 redesignate preexisting subchapters, and correct internal
34 references as necessary, including references to subchapter
35 headnotes.

EXPLANATION

The inclusion of this explanation does not constitute agreement with the explanation's substance by the members of the general assembly.

This bill establishes the teacher student loan repayment program.

The bill requires the program to provide grants to select teachers. The bill also requires the college student aid commission (commission) to administer the program in collaboration with the department of education.

The bill provides that the criteria for eligibility for a teacher student loan repayment grant shall be established by the commission and shall include that the teacher completed an application for student loan repayment under the program, the teacher completed a teacher preparation program approved by the state board of education offered by an eligible institution, and the teacher's cumulative grade point average upon graduation from an eligible institution is at least 2.75 on a 4.0 scale. The bill provides that an eligible institution is an institution of higher learning governed by the state board of regents or an accredited private institution located in Iowa. Additionally, the bill provides that a teacher is ineligible for the program if the teacher receives a grant under Code section 261.110 (teach Iowa scholar program), a forgivable loan under Code section 261.111 (teacher shortage forgivable loan program), or loan forgiveness under Code section 261.112 (teacher shortage loan forgiveness program).

The bill provides that a selected teacher who meets all of the eligibility requirements shall be eligible for awards from the program for each year of full-time employment completed in this state as a teacher for a school district, accredited nonpublic school, or an area education agency. The bill restricts the amount of the awards to the lesser of \$4,000 per year per recipient or the total remaining balance of the teacher's eligible loans at the end of each annual full-time employment obligation. The bill provides that grants awarded

1 under the program shall not exceed a total of \$20,000 per
2 recipient over a five-year period. The bill authorizes a
3 teacher to continue to receive grants under the program if the
4 teacher refinances an eligible loan by obtaining a private
5 educational loan.

6 The bill establishes a grant program fund in the state
7 treasury. The bill requires the commission to administer the
8 fund. The bill provides that moneys in the fund at the close
9 of the fiscal year shall not revert but shall remain available
10 for expenditure for the program. The bill also provides that
11 interest or earnings on moneys in the fund shall be credited
12 to the fund.

13 The bill requires the commission to submit a report to
14 the general assembly by January 1, annually, related to the
15 program. The bill describes what the commission is required to
16 include in the report.

17 The bill requires the commission and the department of
18 education to adopt rules to administer the program. The bill
19 provides that the rules shall include a process to determine
20 which teachers will receive a grant under the program. The
21 bill requires that priority be given to the most recent
22 graduates of eligible institutions.

23 The bill appropriates \$1 million to the commission in fiscal
24 year 2022-2023 for purposes of the program.

25 The bill defines "eligible institution", "eligible loan",
26 and "teacher".